JUDGMENT · STYLE

The Right Leadership at the Right Moment

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PETERSEN LEADERSHIP | PERSPECTIVES

Judgment, Adaptability, and the Skills Leaders Will Need Through 2030

Executive perspective

The most important leadership question is not “What kind of leader am I?” It is “What kind of leadership is needed from me right now?” Organizations need leaders who can provide direction, invite ideas, develop people, make difficult decisions, and sustain accountability, sometimes in rapid succession. No single leadership style satisfies every requirement. The differentiator is judgment: accurately diagnosing the situation, understanding the people involved, selecting an appropriate response, and knowing when to change it.

In “The Art of Leadership Flexibility” (Petersen, 2026), I examined the range of styles available to a leader. This paper takes the next step: how a leader decides which approach the moment requires. It offers a five-step leadership judgment cycle, connects it to the changing skill demands projected in the World Economic Forum’s Future of Jobs Report 2025, and applies it to one of today’s most pressing leadership tests: introducing artificial intelligence.

Where this fits in the Petersen Leadership Model

The Petersen Leadership Model describes leadership through seven elements: Character (who you are), Style (how you lead), Judgment (how you decide), Culture (what you create), Execution (how results are achieved), Life (how you live), and Legacy (what you leave behind). This paper sits where three of them meet. Style supplies the range of behaviors a leader can draw on. Judgment determines which behavior fits the moment. Culture is what those choices create when they are repeated over time. Character remains the anchor throughout; behaviors may change, but values and standards should not.

Leadership is a repertoire, not a personality label

Goleman (2000) described six leadership styles and found that the most effective executives draw on several of them, depending on circumstances. Northouse (2025) likewise presents leadership as a field of distinct theories and approaches rather than one universal formula. A 2024 systematic review and meta-analysis found a positive overall association between leadership and employees’ adaptive performance, with no meaningful differences among the leadership styles studied (Bonini et al., 2024). No single style is the answer.

Leadership development commonly draws on nine approaches: visionary, democratic, servant, coaching, transformational, delegative, transactional, directive, and situational. They are not mutually exclusive. Visionary and transformational behaviors frequently overlap, and servant leadership can be expressed while coaching or delegating. I treat “situational” here as the overarching practice of adapting one’s behavior, not as the formal Hersey–Blanchard model, whose specific prescriptions have received mixed support (Blank, Green, & Weitzel, 1990). The table below therefore describes a repertoire of behaviors, not nine identities into which leaders must be sorted.

Approach	Useful when…	Watch for…
Visionary	People need direction and meaning.	A compelling destination without execution.
Democratic	Better ideas and commitment require participation.	Consultation without decision rights or deadlines.
Servant	People need trust, support, and obstacles removed.	Confusing care with the avoidance of standards.
Coaching	Individual capability and judgment must grow.	Helping so much that independence is delayed.
Transformational	Assumptions or organizational systems must change.	Unrelenting change that exhausts the organization.
Delegative	Capable people can own outcomes.	Authority without clarity, resources, or follow-through.
Transactional	Promises, measures, safety, or execution matter.	Turning every relationship into a compliance exercise.
Directive / autocratic	Time is critical and authority must be clear.	Continuing command-and-control after urgency passes.
Situational / adaptive	Context, capability, or risk is changing.	Changing signals so often that people lose confidence.

Effective leadership is not about alternating indiscriminately among styles. It is about choosing deliberately, communicating expectations, and paying attention to consequences.

A lens for judgment: IQ, EQ, and AQ

I graduated 54th of 840 in my Naval Academy class. A year later, I finished in the bottom half of my Nuclear Power School class. Many of my classmates were simply better at the technical material than I was. Yet as my career unfolded, what set me apart from those fact-oriented peers was not technical brilliance; it was emotional intelligence. Technical competence was the

price of admission. It did not, by itself, earn followership.

Across fifty years of leadership in the Navy, in financial services, and in coaching, I have come to express that lesson through three complementary intelligences:

- **IQ (Intelligence Quotient):** Understand the facts, systems, risks, alternatives, and consequences. Ask: What is really happening, and what outcome is required?
- **EQ (Emotional Intelligence):** Recognize how people experience the situation: their capability, confidence, concerns, motivation, and relationships. Ask: What do these people need from their leader?
- **AQ (Adaptability Quotient):** Adjust thinking and behavior as the environment changes without surrendering principles. Ask: What should I change now, and what must remain constant?

Adapt the approach, not the standard.

Leadership judgment integrates these three dimensions. IQ without EQ may produce a technically correct decision that people cannot execute well. EQ without IQ may produce reassurance without an effective solution. Both without AQ can turn yesterday's successful behavior into tomorrow's obstacle.

A practical leadership judgment cycle

For leaders and coaches, an approach is useful only if it can guide the next decision. I use a five-step cycle that works in a leadership meeting, an after-action review, or a coaching conversation:

Step	Leadership question	Practical output
1. Diagnose	What is at stake: urgency, risk, outcome, constraints?	A clear statement of the issue and required result.
2. Understand	Who is involved, and what are their skills, concerns, and readiness?	A realistic picture of capability and trust.
3. Choose	Which behaviors fit this situation, and who decides?	An explicit leadership approach and decision rights.
4. Execute	What must happen, by whom, and when?	Actions, owners, measures, and communication.
5. Reassess	What has changed, and when should our approach change?	A review trigger and adjusted response.

The fifth step matters most, and it is the one leaders skip. A leader may make the correct decision in an emergency and still create lasting damage by continuing to lead as if the

emergency never ended.

Submarine duty taught me this early, and it remains the foundation of how I lead. During an engineering casualty, open-ended discussion cannot substitute for procedural discipline; roles must be clear, orders precise, and safety requirements enforced. Once the plant is stable, the same officer must shift from command to inquiry: inviting candid observations, coaching less experienced sailors, and restoring confidence. The responsibility does not change. The behavior it requires does. Effective adaptation requires a visible signal that it is time to move from directing to listening, coaching, or delegating.

When my default stopped working: a lesson from my first district

When I became a District Advisor, I took over the worst district in our Region. I had to recruit new, highly motivated, talented advisors, and then train them to perform at the level I knew the district was capable of reaching. I felt well prepared. I had taught chemistry at Nuclear Power School and trained many of my contemporaries aboard USS Indianapolis. Teaching was what I knew how to do.

So I required every advisor to attend one hour of training each week. I prepared carefully and built each session around what had made me a successful financial advisor. Before long, I noticed a pattern. Advisors were arriving late, and once there, they were not very engaged. These were former military officers; they understood the importance of being on time as well as anyone. I could not understand why they kept coming late.

Finally, I asked one of the informal leaders of the group. His answer was direct: the sessions were boring and uninspiring, so people were not motivated to attend. I asked him what I could do about it. “Let us teach the training sessions,” he said, “instead of doing it yourself.”

I took his advice. The advisors began presenting topics to one another, and the training became something the team owned. I gained back the time I needed for duties only a District Advisor could perform.

The attendance problem disappeared. The district also climbed from worst in the Region to second; many changes contributed to that turnaround, and this was one of them. The President of the company then tapped me to run training for the entire company at the Home Office. I took the lesson with me. As Director of Training, I made a practice of sharing the ideas my people brought to me, and the role succeeded; after three years, I received a major promotion.

Looking back through the three lenses, IQ was never the problem; the content was sound. The gap was EQ. I had assumed that what motivated me would motivate them. AQ was the willingness to set aside the approach I was best at once the evidence showed it was not working. In the terms of the repertoire above, I moved from a directive approach to a delegative one, and the team took ownership. The turning point came from the step leaders most often skip: reassessing, by asking someone willing to tell me the truth. The lesson has stayed with me ever since. You do not have to do everything yourself, and what motivates you may not motivate

your people.

Earlier telling: *A shorter version of this experience appeared in my paper The Art of Leadership Flexibility (Petersen, 2026).*

The growing business: when the owner is the bottleneck

The same pattern appears constantly in the businesses I coach. Consider a composite owner whose company has grown beyond the owner's personal capacity. Revenue is increasing, but important decisions still accumulate on one desk. Delegation sounds like the solution, yet assigning more tasks without developing capable managers and defining authority can simply move confusion around the organization.

I guide that owner through a sequence rather than prescribe a label. First, use visionary leadership to clarify where the company intends to go. Next, invite the management team to identify barriers, using democratic participation without giving up decision accountability. Then coach emerging leaders to make sound decisions. Delegate genuine authority with boundaries, resources, and agreed measures. Finally, use the PBCA Business Operating System (BOS) to make priorities, owners, and follow-through visible.

Jim Collins found that the great companies in his research first got the right people on the bus, and the wrong people off it, before deciding where to drive it (Collins, 2001). The same principle governs delegation: even a skilled leader cannot delegate successfully to someone who is unprepared, misassigned, or uncertain about expectations. The Business Transformation Plan (BTP) supplies the strategic direction, while PBCA BOS helps translate decisions into disciplined action.

The objective is not merely an owner with fewer tasks. It is an enterprise with stronger judgment distributed across its people.

The changing demands of work through 2030

The World Economic Forum's Future of Jobs Report 2025 surveyed more than 1,000 global employers representing over 14 million workers. Its findings are employer expectations, not certainties, but they send a clear signal for leadership development. Employers anticipated that approximately 39% of workers' existing skill sets would be transformed or become outdated between 2025 and 2030; 63% identified skill gaps as a major barrier to business transformation; 46% cited organizational culture and resistance to change; and 85% planned to prioritize upskilling their workforce (World Economic Forum, 2025).

The report's Figure 3.6 compares how important skills are today with how their importance is expected to grow by 2030. Among the skills it highlights are analytical thinking, resilience and agility, creative thinking, technological literacy, AI and big data, leadership and social influence, curiosity, and talent management. A skill that appears comparatively stable is not unimportant; the figure shows expected growth, not overall value.

These skill groups map naturally onto the three lenses:

Lens	Relevant skill groups from WEF	Question for leaders
IQ: Understand	Analytical and systems thinking; technological literacy; AI and big data.	Can we explain the problem and test our assumptions?
EQ: Connect	Empathy and active listening; self-awareness; talent management; social influence.	Do people feel understood, supported, and accountable?
AQ: Adjust	Resilience, flexibility, agility; curiosity; lifelong learning; creative thinking.	Are we learning fast enough to change the approach?

The grouping is my own interpretation for teaching and coaching, not a WEF classification.

An emerging leadership test: introducing artificial intelligence

Suppose a firm introduces AI tools to improve research, service, and operating productivity. Some employees see opportunity; others fear errors, loss of control, or job displacement. A leader who offers only a technology mandate may win short-term compliance but lose trust. A leader who listens indefinitely without implementing standards may preserve goodwill but fail to execute. The situation calls for an intelligent sequence.

1. Explain the business purpose, intended benefits, and nonnegotiable safeguards (visionary and directive behaviors).
2. Invite employee questions and identify real workflow concerns (democratic and servant behaviors).
3. Teach, coach, and provide time for skill development (coaching behavior).
4. Assign accountable owners, test results, and monitor quality and risk (delegative and transactional behaviors).
5. Revisit the approach as the tools, tasks, and workforce capabilities change (adaptive behavior).

In this example, the decisive question is not whether the chief executive is “transformational” or “servant-oriented.” It is whether the organization can adopt a useful capability while maintaining standards, protecting people, learning from mistakes, and earning continued trust.

Leadership styles create culture through repeated behavior

Culture is not defined only by the values on a wall. It emerges from the behaviors people repeatedly experience, especially when performance slips, bad news arrives, or authority is challenged. A leader who says “we value participation” but punishes dissent teaches employees to remain silent. A leader who says “people matter” but avoids accountability teaches a different lesson. Consistency of values and thoughtful flexibility of behavior must operate together.

Edmondson’s (1999) research linked psychological safety with learning behavior in work teams. That finding does not eliminate discipline; it underlines the importance of an environment in which people can raise concerns, report errors, and learn. Likewise, research reviews distinguish servant leadership from permissiveness: service to others can coexist with demanding goals, empowerment, and responsibility (Eva et al., 2019).

I equals we in success.

For me, that statement captures a leadership obligation. A leader may accept individual responsibility for a decision, but lasting accomplishment belongs to the people who make it possible. Leadership must create the conditions in which others can contribute, grow, and share in success. This is also the bridge between leadership behavior and organizational culture.

Using the judgment cycle in development and coaching

The judgment cycle and the IQ–EQ–AQ lens can be introduced through a short reflection exercise in CPBL 401, revisited during strategic planning in CPBL 402, and applied to execution and change in CPBL 403. For PBCA coaches, the objective is to improve a client’s judgment, not to score people into permanent categories or supply answers that the client must own.

A practical 30-day development assignment would ask a leader to choose one recurring situation, name their default response, test one alternative approach, agree on observable evidence of improvement, and review the results with a colleague or coach. Good measures might include decision cycle time, employee ownership of commitments, error reporting, turnover concerns, or progress against a defined business objective. Measures should match the actual problem; no single score captures leadership quality.

Five coaching questions can make the model operational:

- What leadership behavior do you default to when pressure increases?
- How do you know whether your team needs direction, participation, coaching, or authority?
- Which standards must remain constant even if your approach changes?
- What signal will tell you that it is time to lead differently?
- What would your team be able to accomplish without you if this approach worked?

Conclusion: leadership judgment is the enduring skill

Technology will change. Skills will evolve. Business conditions will shift, often faster than our plans. The leadership challenge is not to find a permanent style and defend it. It is to develop the intellectual discipline to understand circumstances, the emotional intelligence to understand people, and the adaptability to respond in ways that advance shared objectives without sacrificing principles.

The strongest leaders are neither always collaborative nor always directive. They know when to engage, when to decide, when to teach, when to delegate, and when to change course. And they build cultures in which people learn to exercise that same judgment.

The best leaders do not ask, “What kind of leader am I?” They ask, “What kind of leadership is needed from me right now?”

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Author’s note. The submarine illustration reflects general submarine practice rather than a single incident; the business-owner scenario is a composite.